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## United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP  
WASHINGTON, DC 20510-6350

November 28, 2001

Mr. John Seal  
Acting Executive Director  
Pension Benefit Guaranty Corporation  
1200 K Street NW  
Washington, DC 20005

Dear Mr. Seal:

As Ranking Member of the Senate Committee on Small Business and as one of the chairmen presiding over the oversight hearing conducted on September 21, 2000, concerning the Pension Benefit Guaranty Corporation (PBGC), I was very pleased to hear the outcome of the most recent information security penetration study conducted by the PBGC Inspector General. Information security was one of the topics of that oversight hearing, and the Inspector General (IG) promised to conduct a follow-up test at that hearing.

When the IG conducted a penetration study in 1999, serious weaknesses were discovered in PBGC information systems. PBGC computers were vulnerable to attack by hackers and others who might seek to use sensitive personal information to conduct identity thefts or otherwise attempt to divert payments away from legitimate pensioners. To its credit, PBGC responded to inquiries from me and from Senator Charles Grassley (then of the Senate Aging Committee) with a comprehensive action plan to address these weaknesses, and supplied us with regular reports on implementation of that plan.

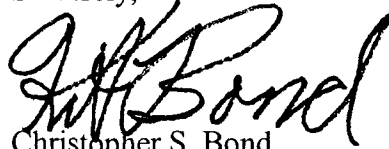
The latest report from the IG reveals that those efforts were not in vain. Security of systems that were vulnerable in the previous test was enhanced significantly. I commend PBGC's entire staff on taking successful corrective action.

Information security continues to be a high priority, particularly now. It is disturbing to hear that terrorist organizations may have financed their activities, at least in part, by conducting identity thefts and looting the credit histories of innocent people. Your continued vigilance in protecting PBGC's collection of sensitive personal data is paramount.

Mr. John Seal  
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For now, however, I congratulate you and your entire operation for meeting the challenge, and I look forward to continued good news as PBGC continues to modernize and strengthen its service to the nation's pensioners.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Bond", written in a cursive style.

Christopher S. Bond  
Ranking Member